

# The Flinn Report

Illinois

# Regulation

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*Illinois Regulation is a summary of the weekly regulatory decisions of State agencies published in the Illinois Register and action taken by the Illinois General Assembly's Joint Committee on Administrative Rules. Illinois Regulation is designed to inform and involve the public in changes taking place in agency administration.*

## New Regulations

### ☞ DAY LABOR

The DEPARTMENT OF LABOR adopted amendments for rules titled "Day and Temporary Labor Services Act" (56 Ill Adm Code 260), effective 6/22/06, to change the name of the Part and to implement Public Act 94-511, which significantly revises these rules. The rulemaking broadens the Part to apply to temporary labor service agencies, adds and updates definitions (including changing 3<sup>rd</sup> party employers to 3<sup>rd</sup> party clients), and adds a new subpart covering complaints and investigations. (A "third party client" means any person who contracts with a day and temporary labor service agency to obtain day or temporary laborers. However, labor or employment of a professional or clerical nature is not included.) In addition, applications for day and temporary labor service agency registration when the agency is a limited liability company must include names and addresses of owners with more than 5% interest in the limited liability company. All types of agencies must provide a \$5,000 bond; a certified financial solvency statement; compliance certification (including proof of an employer unemployment insurance account number and valid workers' compensation insurance); and copies

of financial responsibility and liability insurance for any provided transportation. Also, DOL must be notified of agency management changes. The previous \$250 agency registration fee is increased to \$1,000 for each agency, with an additional \$250 for each branch office. Renewal fee increases are the same. Agencies are required to provide each day or temporary worker with a certified statement of pertinent information, including the date, name and nature of the work, wages offered, name and address of destination, transportation terms, and whether a meal or equipment or both will be provided. In addition, if 3<sup>rd</sup> party clients are identified by code on the worker's pay stub, the worker must know the code or codes that correlate to the day or location he or she has worked. Other agency duties and responsibilities are established and cover recordkeeping (including recording the race and gender of each laborer), records maintenance and DOL record inspection, meals, transportation, wage deductions and payments, placement fees, and agency public access areas with restrooms and drinking water. A subpart explaining 3<sup>rd</sup> party client duties and responsibilities includes wage payment and legal responsibility, reg-

(cont'd next page)

## Proposed Regulations

### ☞ AIR POLLUTION CONTROL

The POLLUTION CONTROL BOARD proposed amendments to "Permits and General Provisions" (35 Ill Adm Code 201) making prevention of significant deterioration (PSD) permits effective upon issuance unless the permit states otherwise by its terms or an appeal has been filed and a stay of the permit has been granted. The rulemaking will apply to permits issued on or after the effective date of the approval of these requirements as part of Illinois' State Implementation Plan under the federal Clean Air Act. PSD is a preconstruction permitting process in which an applicant for a major new air pollution source or source modification must submit a permit application prior to commencing construction that demonstrates that emissions from the proposed facility will not cause or contribute to an exceedance of any applicable national ambient air quality standards or air quality increment and that the proposed facility will employ the best available control technology for all major pollutants from the source. Those affected by this rulemaking include small businesses, small municipalities, and not-for-profit corporations that apply for or appeal a PSD permit.

Requests for copies/comments until 8/21/06: Dorothy Gunn, PCB, 100 W. Randolph, Ste. 11-500, Chicago IL 60601, 312/814-3620. Questions: John

(cont'd page 6)

**NEW REGULATIONS:** Rules adopted by agencies this week.

**PROPOSED REGULATIONS:** Rules proposed by agencies this week, commencing a 45-day First Notice period. Public comments must be accepted by the agency for the period of time indicated.

☞: Symbol designating rules of special interest to small businesses, small municipalities, and not-for-profit corporations. Agencies are required to consider comments from these groups and minimize the regulatory burden on them.

**QUESTIONS/COMMENTS/RULE TEXT:** Direct mail or phone calls to the agency personnel listed below each summary. Providing volume and issue number of The Flinn Report or the Illinois Register will expedite the process. Some agencies charge copying fees. However, copy requests do not have to be made under the Freedom of Information Act.

# New Regulations

istration verification, and work verification. Registration denial is added as a penalty for violating either the Act or this Part, a hearing request must be made within 10 working days after a day or temporary labor service agency receives written decision of a violation, and hearings must be conducted according to State law. Previous provisions requiring the Department to notify an agency by certified mail of its violation decision and to fix a date of not less than 14 days after the mailing for the agency to request a hearing are stricken, as are specific factors considered in reaching a decision. Changes since 1<sup>st</sup> Notice add a definition of “professional” and clarify employment notice procedures. Small businesses, small municipalities, and not-for-profit corporations that are 3<sup>rd</sup> party clients or that own or operate day and temporary labor service agencies are affected by this rulemaking.

Questions/requests for copies: Valerie A. Puccini, DOL, 160 N. LaSalle St., C-1300, Chicago IL 60601, 312/793-7838, Fax 312/793-5257.

## DISABLED ADULTS

The DEPARTMENT OF HUMAN SERVICES adopted amendments for rules titled “Office of Inspector General Adults with Disabilities Abuse Project” (59 Ill Adm Code 51), effective 6/20/06, to implement Public Act 94-418, which more specifically states that in the event the guardian of a disabled adult is alleged to be the perpetrator of abuse, neglect, or exploitation and there is an “immediate and urgent necessity”, the Project staff shall seek the appointment of a temporary substitute guardian. The amendments also provide that the Project shall have access to financial records during the course of any exploitation assessment. A change since 1<sup>st</sup> Notice adds a nonexclusive list of what constitutes the threshold for seeking substitute guardianship (e.g., sexual abuse, lack of food).

SERVICES adopted amendments for “Related Program Provisions” (89 Ill Adm Code 117), effective 6/20/06, to implement Public Act 94-669 concerning payment of funeral and burial expenses for eligible, deceased financial assistance recipients. On 1/1/06, 7/1/06, and 7/1/07, the minimum reimbursement amounts for funeral expenses (\$1,000) and burial expenses (\$500) increases by a percentage equal to the percentage increase in the federal consumer price index for all urban consumers that occurred during the preceding 12 months. (The payment amounts for burial of amputated limbs or funeral home services and memorial services related to anatomical gift donations remain the same.) Those affected by this rulemaking include funeral homes, cremation businesses, and cemeteries.

Questions/requests for copies of the 2 DHS rulemakings above: Tracie Drew, DHS, 100 S. Grand Ave. E., 3<sup>rd</sup> Fl., Springfield IL 62762, 217/785-9772.

## BOATING

The DEPARTMENT OF NATURAL RESOURCES adopted amendments for “Designation of Restricted Waters in the State of Illinois” (17 Ill. Adm. Code 2030), effective 6/23/06, to reduce the “no wake” area on portions of the Rock River near Martin Park in the city of Loves Park in Winnebago County. Since there is no longer a swimming beach at Martin Park, it is being removed from the list of swimming areas where no boats are allowed. The rulemaking also clarifies the length of the no-wake area along Cattail Slough on the Mississippi River near the town of Fulton, in Whiteside County. Those affected by this rulemaking include those operating recreational watercraft near the affected areas.

Questions/requests for copies: Jack Price, DNR, One Natural Resources Way, Springfield IL 62702, 217/782-1809.

adopted amendments for the following 3 Parts: “Payment of Taxes by Electronic Funds Transfer” (86 Ill Adm Code 750), “Electronic Filing of Returns or Other Documents” (86 Ill Adm Code 760), and “Telefile Program” (86 Ill Adm Code 770), all effective 6/26/06. Parts 750 and 760 require taxpayers making electronic payments to initiate the payment on or before the due date in accordance with the type of tax being paid and request a payment date no later than the due date or, in certain circumstances, the next available business day after the due date. The payment is deemed timely if the transfer is initiated on or before the due date and the amount due is deposited as collected funds in the Department’s account, even if the deposit occurs after the due date. However, under Part 760, if a taxpayer who is required to pay through electronic funds transfer (EFT) makes a payment by mail, the return or other required document must be received by DOR or the amount due must be deposited as collected funds to DOR’s account on or before the due date in order to be considered timely. Part 750 requires such a taxpayer making a payment by mail to have the amount due deposited in DOR’s account on or before the due date. Also, in Part 750, the requirement that a taxpayer using the ACH (automated clearing house) debit option or credit option must pay one day prior to the due date is stricken. Also stricken is the provision that a taxpayer who is unable to use the ACH debit or credit option one day before the due date must use “Fedwire” (federal reserve wire transfer) to avoid penalties and interest. Parts 760 and 770 provide that payment by EFT debit authorization is considered timely if the return is received as prescribed, the EFT payment date is no later than the due date or the next available business day, and the taxpayer receives a confirmation number indicating that the debit was accepted. If the taxpayer does not receive such a number, the payment was not accepted for processing. Small businesses, small municipalities, and not-for-profit corpora-

## FUNERAL HOMES

The DEPARTMENT OF HUMAN

## TAXES

The DEPARTMENT OF REVENUE

# New Regulations

tions that make electronic payment of taxes or fees are affected by these rulemakings.

Questions/requests for copies: Samuel J. Moore, DOR, Legal Services Office, 101 W. Jefferson, Springfield IL 62794, 217/782-2844.

## COLLEGE ASSISTANCE

The ILLINOIS STUDENT ASSISTANCE COMMISSION adopted amendments for the following 8 Parts, all effective 7/1/06: “General Provisions” (23 Ill Adm Code 2700), “Monetary Award Program (MAP)” (23 Ill Adm Code 2735), “Silas Purnell Illinois Incentive for Access (IIA) Program” (23 Ill Adm Code 2736), “Robert C. Byrd Honors Scholarship Program” (23 Ill Adm Code 2755), “Merit Recognition Scholarship (MRS) Program” (23 Ill Adm Code 2761), “Illinois Future Teacher Corps (IFTC) Program” (23 Ill Adm Code 2764), “Illinois Special Education Teacher Tuition Waiver (SETTW) Program” (23 Ill Adm Code 2765), and “Student to Student (STS) Program of Matching Grants” (23 Ill Adm Code 2770). Three of these amended Parts include grammatical and non-substantive technical changes. Changes to all the Parts, except Parts 2700 and 2755, clarify that all institutional payment requests except for the summer term must be received by ISAC no later than July 1<sup>st</sup> to allow for processing by the Comptroller before the end of the fiscal year lapse period on August 31<sup>st</sup>. The due date in Part 2755 for payment requests is May 15<sup>th</sup>. (The proposed amendments originally specified an August 1<sup>st</sup> deadline or earlier date designated by ISAC.) Changes to Part 2700 clarify when an applicant’s Illinois residency must be verified by the postsecondary institution and clarifies there is no requirement for residency verification when the applicant is enrolled at an ISAC-approved MAP institution or and ISAC-approved Illinois high school for the preceding 12 months prior to the start of the academic year for which assistance is requested. Amendments to Part 2755 clarify that the academic data submitted in a scholarship appli-

cation must include the non-weighted grade point average of applicants, and amendments to Part 2761 state that the names and addresses of scholarship recipients are available to the public. Changes to Part 2764 implement Public Act 94-133, which prohibits participation in this teacher corps program if an individual is already receiving assistance under the Teach Illinois Scholarship Program. Recipients of this grant will not be considered in violation of any agreement if they are enrolled at least half-time in courses needed to become certified as a teacher or they are fulfilling teaching requirements associated with other ISAC administered programs if the individuals cannot concurrently fulfill the additional requirements in a period of time equal to the length of the teaching commitment. Institutions submitting certifications of eligibility for applicants and a request for payment must do so within the time frame requested by ISAC, which will not be a period of less than 30 days unless it is necessary to expend appropriated funds prior to the end of the academic year. Changes to Part 2765 implement Public Act 94-133, which allows students who have graduated from any approved high school prior to the academic year in which the award is made, and those students who are Illinois residents and members or military families stationed out-of-State, to apply for the tuition waiver. The amendment also prohibits participation in this program if an individual is already receiving assistance under the Teach Illinois Scholarship Program or the Illinois Future Teacher Corps Program. New text reserves a maximum of 105 tuition waivers for applicants who graduated from high school “prior” to the academic year in which the award is made. If more than 105 applicants qualify, a lottery will be used to determine the 105 recipients. An additional amendment lowers the minimum number of waivers reserved for qualified applicants scheduled to graduate in the academic year the award is made from 210 to 105 and clarifies that these applicants must rank in the upper half of their class at the end of their 6<sup>th</sup> high school semester. Any tuition

waivers reserved for other groups that go unused must be subsequently awarded to applicants in this current group who did not receive a waiver. Additionally, the 5-year grant repayment time period may be extended if the recipient is fulfilling teaching requirements associated with other ISAC administered programs or if the individual cannot concurrently fulfill the additional requirements in a period of time equal to the length of the teaching obligation. Changes to Part 2770 remove text requiring ISAC to forward a copy of each participating institution’s annual report regarding this grant program to the Board of Higher Education. Those affected by these rulemakings include not-for-profit corporations that are institutions of higher learning and school systems staffed by graduates of the above programs.

ISAC additionally adopted amendments for the following 5 Parts, all effective 7/1/06: “Grant Program for Dependents of Correctional Officers” (23 Ill Adm Code 2731), “Grant Program for Dependents of Police or Fire Officers” (23 Ill Adm Code 2732), “Illinois National Guard (ING) Grant Program” (23 Ill Adm Code 2730), “Illinois Veteran Grant (IVG) Program” (23 Ill Adm Code 2733), and “Minority Teachers of Illinois (MTI) Scholarship Program” (23 Ill Adm Code 2763). Amendments to Parts 2730, 2731, and 2732 add the July 1<sup>st</sup> deadline noted above for institutions to submit payment requests to ISAC with the exception of summer term requests. Parts 2733 and 2763 do not specify an exception for summer term. Additional Part 2731 and Part 2732 amendments require each grant applicant to name the institution he or she plans to attend and to comply with more specific grant application submittal deadlines. Also, calculation of a public Illinois institution’s tuition and fees for grant purposes will include the difference between in-district and out-of-district tuition if applicable, and timely claims for out-of-district tuition coverage will be considered in the same manner as all other timely payment claims. Further changes for Parts 2730 and 2733 implement Public Act 94-583, which



# New Regulations

removes the prohibition on National Guard officers receiving a grant, allows grant funds to cover certain nonmandatory fees in limited cases, and covers enrollment during summer terms. Part 2730 amendments also increase from 96 units to 120 units the total number of "eligibility units" (previously called credit hours or noncredit hours) that a grant recipient may accumulate before grant benefits cease. Other covered topics concern reporting a change of military status to ISAC, refund policy, and grant repayment if a grant recipient fails to complete the required military obligation. Part 2733 amendments narrow a veteran's allowable time period to report his or her grant eligibility and clarify that only mandatory fees will be covered by grants with the temporary exception per Public Act 94-583 that grandfathers coverage of nonmandatory fees previously allowed for current students (e.g., flight instructor fees). Amendments to Part 2763 concerning teachers' scholarships implement Public Act 94-133, which states that a grant recipient is not in violation of his or her agreement to teach one year for each year of scholarship assistance if the recipient is fulfilling other ISAC teaching requirements and it is not possible to concurrently fulfill them both in a period of time equal to the length of the teaching obligation. Other covered topics concern timely submittal of educational institution payment requests and student eligibility certifications to ISAC.

ISAC adopted 2 new Parts titled "Teach Illinois Scholarship Program" (23 Ill Adm Code 2768) and "Child Welfare Student Loan Forgiveness Program" (23 Ill Adm Code 2769), both effective 7/1/06. Part 2768 implements Public Act 94-205, which creates a scholarship program for recipients who pledge to teach on a full-time basis for at least 5 years in an Illinois elementary or secondary school in an "area of identified staff shortage". A school district is defined as an area of identified staff shortage if it has an (1) insufficient

number of teachers to meet student or school district demand or (2) insufficient number of qualified teachers to teach a specific subject area. With specified exceptions, a scholarship converts to a loan plus 5% interest and fees if the recipient fails to begin teaching within one year following completion of the postsecondary education degree for which the scholarship was awarded. Part 2769 implements Public Act 94-497 by creating a loan forgiveness program for students enrolled in (1) a social work program approved by the Council on Social Work Education leading to a bachelor's degree in social work or (2) an accredited human services degree program. The participant must work in the child welfare profession at the Department of Children and Family Services or one of its contracting agencies for an amount of time approximately equal to the time he or she received a forgivable loan (statute specifies a maximum \$4000 of loan forgiveness per year of eligible service). Those affected by these rulemakings include institutions of higher learning, school districts, and DCFS service providers.

Questions/requests for copies of the 15 rulemakings above: Chris Peterson, ISAC, 1755 Lake Cook Rd., Deerfield IL 60015, 847/948-8500 (ext. 2109), Fax 847/948-5033, e-mail: cpeterson@isac.org

## TEACHERS' RETIREMENT

The TEACHERS' RETIREMENT SYSTEM adopted amendments to its trustee election provisions in its rules titled "The Administration and Operation of the Teachers' Retirement System" (80 Ill Adm Code 1650), effective 6/23/06, to conform to changes mandated by Public Act 94-710. That Act directed the System head to institute a special election if more than 6 months are remaining in the term of a vacant elected trustee position. The amendments set out special election procedures with a two-week signature collection period for nominating petitions com-

mencing after the Board's secretary announces that a special election will be held. Petition filing deadlines will be announced by the Board secretary, who will also determine the validity of a petition at least 20 days prior to the election. The period prior to a regular or special election that may be utilized for mailing ballots has been increased from 10 to 20 days. The Board secretary will provide the following information if a vacancy special election is required: the date the vacancy occurred, the time period for circulating and filing petitions, the dates petitions will be verified and ballots mailed, the election date, and date the election results will be announced.

Questions/requests for copies: Cynthia Fain, TRS, 2815 W. Washington, Springfield IL 62794-9253, 217/753-0375.

## WORKERS' COMPENSATION

The ILLINOIS WORKERS' COMPENSATION COMMISSION (formerly the Industrial Commission) adopted amendments for "Miscellaneous" (50 Ill Adm Code 7110), effective 6/22/06. A companion emergency amendment became effective 2/1/06. The rulemaking implements Public Acts 94-277 and 94-695. Amendments direct the reader to a medical fee schedule established on the Commission's website that sets the maximum payment for a medical procedure, treatment, or service covered under the Workers' Compensation Act or Workers' Occupational Diseases Act if it was rendered on or after 2/1/06 regardless of the date of a worker's injury. Whenever the fee schedule does not set a specific fee, the reimbursement amount will be 76% of the actual charge, and the schedule varies based upon the "place of service" (e.g., zip code area). The fee schedule includes the following 8 service categories: ambulatory surgical treatment center, anesthesia, dental, emergency room facility, healthcare common procedure coding system, hospital inpatient (standard and trauma), hospital outpatient, and professional services. Certain reporting require-

# New Amendments

ments are also specified in the fee schedule, according to the Commission. No later than 9/30/06 and yearly thereafter, the Commission will adjust the maximum payment to reflect the percentage increase or decrease in the federal Consumer Price Index-U for the 12-month period ending 8/31 of that year. (This index is published by the U.S. Department of Labor.) Changes since 1<sup>st</sup> Notice include making nonsubstantive changes throughout additional sections of the Part, including updating the agency's name from Illinois Industrial Commission to Illinois Workers' Compensation Commission. Those affected by this rulemaking include any businesses whose workers have filed a worker's compensation claim, as well as the various medical and dental providers whose services are reimbursed according to the fee schedule.

Questions/requests for copies: Kathryn Kelley, IWCC, 100 W. Randolph, Ste. 8-272, Chicago IL 60601, 312/814-6560.

## PRESCHOOL PROGRAM

The STATE BOARD OF EDUCATION adopted emergency amendments for "Early Childhood Grant Block Grant" (23 Ill Adm Code 235), effective 6/26/06, for a maximum of 150 days. The rulemaking implements Senate Bill 1497 (sent to the Governor on 6/2/06), which creates the Preschool for All Children program. These emergency amendments set out program requirements so that SBE can provide Fiscal Year 2007 (FY07) funding for qualifying programs before the start of the 2006-07 school year. (SBE notes that grant awards are contingent upon gubernatorial signature.) Topics covered include eligible applicants, application procedures, SBE review criteria, and terms of the grant. Statutory priority for grant awards is: (1) applicants serving children who have been identified as being at risk of academic failure and (2) applicants serving chil-

dren whose family income is less than 4 times the federal poverty level. Also, each program must have a parent education and involvement component. Those affected by this rulemaking include private for-profit and not-for-profit entities that apply for grants under this new program.

## SCHOOL TECHNOLOGY PROJECT

SBE adopted emergency rules establishing the "Technology Immersion Pilot Project" (23 Ill Adm Code 365), effective 6/26/06, for a maximum of 150 days. Identical proposed rules appear in this issue of the *Illinois Register*. The emergency rules respond to a line item appropriation in the FY07 budget that implements a 3-year pilot project authorized in 2004 that provides a wireless laptop computer to students, teachers, and administrators; associated hardware and software; and professional development. The statute requires SBE to select 7 school districts for participation in the pilot project (one is to be Chicago, 3 from the counties of DuPage, Kane, Lake, McHenry, Will and Cook County outside of Chicago, and 3 from the remainder of the State). The rulemaking further states that SBE's goal is to serve at least 9 schools with at least 3 of the schools located in Chicago. SBE will use the pilot project funds to purchase the hardware, software, technical support, and technical learning materials and resources for distribution to the grantees. The emergency rules set up a competitive grant program that describes eligible applicants, program specifications, application procedures, SBE review criteria, and allocation of funds. Those affected by these rulemakings include charter schools and State-run schools that desire to apply for grants.

## NEW TEACHER GRANTS

SBE also adopted emergency rules establishing a new program titled "New

Teacher Induction and Mentoring" (23 Ill Adm Code 65), effective 6/26/06, for a maximum of 150 days. Identical proposed rules appear in this issue of the *Illinois Register*. The emergency rules respond to a line item appropriation in the FY07 budget that implements a program for new teachers authorized in 2003. The statute provides for a statewide induction and mentoring program, but provides for competitive grants if the appropriation is insufficient. The emergency rules implement the FY07 provision to establish a pilot program. The 3-year pilot program will study program models that provide intensive interaction between new teachers and their mentors and require large amounts of time working together, assessment, feedback, and professional development. Particular program requirements include: group size (10-75 new teachers), minimum time spent by the teacher and mentor with each other (1.5 hours per week), and development of an "induction plan" for each new teacher. The new Part describes typical competitive grant program requirements such as specifications, eligible applicants, application procedures, review criteria, and allocation of funds. Those affected by these rulemakings include partnerships of institutions of higher learning, professional associations, and not-for-profit educational service providers desiring to obtain grants under this new program.

Questions/requests for copies of the 3 SBE emergency rulemakings above: Linda Jamali (217/782-7702) for Part 65, Dana Kinley (217/557-7323) for Part 365, and Kay Henderson (217/524-4835) for Part 235, ISBE, 100 N. First St., Springfield IL 62777-0001. Questions, requests for copies, and comment concerning the proposed rulemakings until 8/21/06 for Parts 65 and 365 should be directed to Sally Vogl at the address and telephone number below.

# Proposed Amendments

Knittle, PCB, 2125 S. First St, Champaign IL 61820, 217/278-3111, e-mail: knittlej@pcb.state.il.us. Please reference docket R06-27.

## VEHICLE REGISTRATIONS

The OFFICE OF SECRETARY OF STATE proposed an amendment to its rules titled "Certificates of Title, Registration of Vehicles" (92 Ill Adm Code 1010) allowing "retail merchants" to sell and process vehicle registration plates and vehicle registration renewal stickers. The rulemaking defines "retail merchant" as a business engaged in the sale of goods or services to the public and that has one or more permanently established places of business in Illinois (e.g., grocery stores, discount stores). Retail merchants are allowed to participate in the electronic registration and titling (ERT) program but may issue only registration renewal stickers under the ERT program. Those affected by this rulemaking include small businesses where vehicle registration plates and renewal stickers may be purchased.

Questions/requests for copies/comments until 8/21/06: Nathan Maddox, Office of the SOS, 298 Howlett Bldg., Springfield IL 62701, 217/785-3094.

## SCHOOL ACCOUNTABILITY

The STATE BOARD OF EDUCATION proposed an amendment for "Public Schools Evaluation, Recognition and Supervision" (23 Ill Adm Code 1) that implements a federal No Child Left Behind (NCLB) requirement for state agencies and districts or cooperatives receiving federal funding for language instruction for limited-English-proficient students and immigrant students. NCLB requires state agencies to develop annual measurable achievement objectives (AMAOs) for children's development and attainment of English language proficiency. New rules set out accountability provisions for meeting or not meeting AMAOs (i.e., percentage of students making progress toward English language proficiency, percentage attain-

ing proficiency, and adequate yearly progress (AYP) for students of limited English language proficiency). Measurement is established through student scores on the annual examination of English language proficiency (proficiency and progress) and on the State assessment (AYP) test. The mathematical procedures for consideration of small groups are set out, as well as consequences for failure to reach AMAOs for 2 and 4 consecutive years and the sanctions that may be imposed.

Questions/requests for copies/comments until 8/21/06: Sally Vogl, ISBE, 100 N. First St., S-493, Springfield IL 62777-0001, 217/782-5270, e-mail: rules@isbe.net

## HOSPITALS

The DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES adopted an emergency amendment to "Hospital Services" (89 Ill Adm Code 148), effective 7/1/06, for a maximum of 150 days to make initial or increased safety net adjustment payments (SNAP) and critical hospital adjustment payments (CHAP) to the following hospitals that are high-volume Medicaid providers: Holy Cross, Michael Reese, Sacred Heart, Saint Francis, Lincoln Park, LaRabida Children's, St. Anthony, Jackson Park, Rush Presbyterian St. Luke, and Roseland (all located in Chicago); Little Company of Mary (Evergreen Park); St. James (Chicago Heights); Kenneth Hall (E. St. Louis); and St. Francis (Blue Island). Additional amendments eliminate St. Elizabeth's (Belleville) eligibility for SNAP. Identical proposed amendments were published in the 5/26/06 *Illinois Register*. Medicaid-funded hospitals may be affected by this rulemaking.

DHFS adopted emergency amendments to "Hospital Reimbursement Changes" (89 Ill Adm Code 152), effective 7/1/06, for a maximum of 150 days to revise "outlier" adjustment payments to control the growth in spending of hospitals reimbursed on

a per diem basis or under the Diagnosis Related Grouping – Prospective Payment System (DRG PPS). (Outlier adjustments are paid to hospitals for exceptionally costly procedures such as organ transplants.) A hospital will qualify for outlier payments once the cost of care surpasses the DRG amount multiplied by 1.47, which is increased from 1.40. For per diem rate hospitals, the factor by which payment is multiplied is decreased from 0.22 to 0.18. Identical proposed amendments were published in the 5/26/06 issue of the *Illinois Register*. Medicaid-funded hospitals may be affected by this rulemaking.

## MENTAL INSTITUTIONS

DHFS also adopted an emergency amendment to "Long Term Care Reimbursement Changes" (89 Ill Adm Code 153), effective 7/1/06, for a maximum of 150 days to provide, pursuant to Public Act 94-838, a socio-development component rate payable 7/1/06 equivalent to 6.6% of the nursing component rate that was in effect 1/1/06. The Act and the amendment authorize DHFS to adjust the rate in the future, but it cannot be reduced. The socio-development component will be categorized within the nursing component (other components are support and capital) as one of the items used to determine the amount of reimbursement to long-term care facilities for the various nursing services required. Nursing homes classified as "institutions for mental disease" receiving Medicaid funding will be affected.

Questions/requests for copies of the 3 DHFS rulemakings above: Tamara Tanzillo Hoffman, DHFS, 201 S. Grand Ave. E., 3<sup>rd</sup> Fl., Springfield IL 62763-0002, 217/557-7157.

## INCOME TAX

The DEPARTMENT OF REVENUE proposed an amendment to "Income Tax" (86 Ill Adm Code 100) disallowing deductions for interest and intangible expenses incurred between a taxpayer



# Proposed Amendments

and a person in the same unitary business group if more than 20 % of the group's business activities are conducted in the United States. The amendment lists definitions within the context of this purpose. A taxpayer must add any deduction for interest income or intangible expenses paid to a foreign person to the extent the interest exceeds the amount of dividends received from the foreign person. Any such net interest income or net income from tangible expenses claimed by a foreign person will yield a deduction for the taxpayer. When a taxpayer claims net interest income or net income from tangible expenses, a deduction is allowed to the foreign person. Taxpayers conducting more than 20% of their business activities in the United States with provisos for income apportioned to Illinois could be affected by this rulemaking.

Questions/ requests for copies/comments until 8/21/06: Paul Caselton, DOR Legal Services Office, 101 W. Jefferson, Springfield IL 62794, 217/524-3951.

## STATE PROPERTY REPORTS

The DEPARTMENT OF CENTRAL MANAGEMENT SERVICES proposed amendments to "Acquisition, Management and Disposal of Real Property" (44 Ill Adm Code 5000) to change the reporting date for State agencies to file annual real property utilization reports from July 30<sup>th</sup> to October 30<sup>th</sup> of each year. The reporting date was changed to October 30<sup>th</sup> in 1988 by a public act. CMS discovered this error and is correcting the oversight.

Questions/requests for copies/comments until 8/21/06: Gina Wilson, DCMS, 720 Stratton Bldg., Springfield IL 62706, 217/785-1793.

## CAMPAIGN FINANCE

The STATE BOARD OF ELECTIONS proposed amendments to rules titled

"The Campaign Financing Act" (26 Ill Adm Code 100) to reflect recent revisions to Section 9-7.5 of the Election Code regarding mandatory reporting by nonprofit organizations that now make contributions as well as accept contributions or make expenditures. The rule places nonprofit organizations on almost the same footing as political committees insofar as reporting and civil penalty provisions are concerned. (There is a \$3000 reporting threshold for political committees and a \$5000 threshold for nonprofits.) To facilitate their status as nonprofit organizations, such entities may establish a separate nonprofit political committee whose exclusive function is to receive contributions and make expenditures with a separate fund into which contributions are deposited and from which expenditures are disbursed as required by Sections 9-1.4 and 9-1.5 of the Election Code. Cross-references and nonsubstantive revisions in other sections of this Part are made as well. (Note: During the course of this rulemaking, the Board also plans to change the name of the Part.) Nonprofit organizations will face some administrative changes as a result of this rulemaking.

## ELECTIONS RULE WITHDRAWN

The STATE BOARD OF ELECTIONS also announced the withdrawal of proposed amendments for "Approval of Voting Systems" (26 Ill Adm Code 204) that were published in the 9/16/05 *Illinois Register*. (A companion emergency rulemaking became effective 9/10/05.) The rulemaking specified 22 functions that must be included in a direct recording electronic (DRE) voting system at a minimum, which also included 15 general requirements for the verified permanent paper record component. A second new section outlined "acceptance testing" procedures required when an election jurisdiction acquired a new or used voting system, system

component, or system computer code or modified an existing Board-approved voting system. The Board states that recent statutory changes (e.g., Public Act 94-645) and public comment received concerning the proposed rulemaking necessitate revising these regulations and submitting a new proposed rulemaking after the November general election. Those affected by this withdrawal include voting system vendors.

Questions/requests for copies/comments concerning the proposed Part 100 amendments until 8/21/06: Steven S. Sandvoss, St. Bd. of Elections, 1020 S. Spring St., Springfield IL 62708, 217/557-9939. e-mail: Ssandvoss@elections.state.il.us

## COMMUNITY CARE PROGRAM

The DEPARTMENT ON AGING adopted an emergency amendment, effective 7/1/06, for a maximum of 150 days for "Community Care Program" (89 Ill Adm Code 240). An identical proposed rulemaking appears in this issue of the *Illinois Register*. For purposes of eligibility for the Community Care Program, the Department is increasing the allowable level of applicant non-exempt assets to \$17,500 from \$12,500. For a couple, the amount allowed to prevent spousal impoverishment increases to \$15,500 from \$10,500 of non-exempt assets. Those affected by this rulemaking are case coordination units, which run the program and include State government, units of local government, for-profit or not-for-profit corporations, limited liability companies, sole proprietorships, partnerships, or individuals.

Questions/requests for copies/comments concerning the proposed rulemaking until 8/21/06: George Fisk, DonA, 421 E. Capitol Ave. Springfield IL 62701-1789, 217/785-3346.

# The Flinn Report

*Illinois General Assembly*

Illinois

# Regulation

Joint Committee on Administrative Rules  
700 Stratton Building Springfield IL 62706

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## Second Notices

The following rulemakings were moved to second notice this week by the agencies listed below, commencing the JCAR review period. These rulemakings will be considered at JCAR's August 8, 2006 meeting in Chicago.

### STATE BOARD OF EDUCATION

"Providers of Supplemental Educational Services" (23 Ill Adm Code 675) proposed 3/31/06 (30 Ill Reg 5777)

"Joint Rules of the Office of the State Fire Marshal and the Illinois State Board of Education: School Emergency and Crisis Response Plans" (29 Ill Adm Code 1500) proposed 4/7/06 (30 Ill Reg 6052)

### STATE FIRE MARSHAL

"Joint Rules of the Office of the State Fire Marshal and the Illinois State Board of Education: School Emergency and Crisis Response Plans" (29 Ill Adm Code 1510) proposed 4/7/06 (30 Ill Reg 6082)

"Fire Sprinkler Contractor Licensing Rules" (41 Ill Adm Code 109) proposed 10/14/05 (29 Ill Reg 15410)

### DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

"Medical Payment" (89 Ill Adm Code 140) proposed 1/27/06 (30 Ill Reg 1231)

### DEPARTMENT OF NATURAL RESOURCES

"Late-Winter Deer Hunting Season" (17 Ill Adm Code 680) proposed 5/12/06 (30 Ill Reg 8777)

"The Taking of Wild Turkeys – Fall Gun Season" (17 Ill Adm Code 715) proposed 5/12/06 (30 Ill Reg 8787)

"Cock Pheasant, Hungarian Partridge, Bobwhite Quail, and Rabbit Hunting" (17 Ill Adm Code 530) proposed 5/12/06 (30 Ill Reg 8747)